



TERRY E. BRANSTAD
GOVERNOR

OFFICE OF THE GOVERNOR

KIM REYNOLDS
LT. GOVERNOR

April 12, 2012

The Honorable Matt Schultz
Secretary of State of Iowa
State Capitol Building
LOCAL

Dear Mr. Secretary:

I hereby transmit:

House File 2427, an Act relating to electrical and mechanical amusement devices concerning liability for device distributors and penalties for awarding cash prizes for the use of, or for failing to include a security mechanism on, electrical or mechanical amusement devices.

The above House File is hereby approved this date.

Sincerely,

A handwritten signature in black ink that reads "Terry E. Branstad".

Terry E. Branstad
Governor

cc: Secretary of the Senate
Clerk of the House



House File 2427

AN ACT

RELATING TO ELECTRICAL AND MECHANICAL AMUSEMENT DEVICES
CONCERNING LIABILITY FOR DEVICE DISTRIBUTORS AND PENALTIES
FOR AWARDING CASH PRIZES FOR THE USE OF, OR FOR FAILING TO
INCLUDE A SECURITY MECHANISM ON, ELECTRICAL OR MECHANICAL
AMUSEMENT DEVICES.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 99B.10, Code 2011, is amended by adding the following new subsection:

NEW SUBSECTION. 5. Notwithstanding any provision of this section to the contrary, a distributor shall not be liable for a violation of this section unless the distributor, or an employee of the distributor, intentionally violates a provision of this section.

Sec. 2. Section 99B.10B, subsection 1, Code 2011, is amended to read as follows:

1. a. The department may deny, suspend, or revoke a registration issued pursuant to section 99B.10 or 99B.10A, if the department finds that an applicant, registrant, or an agent of a registrant violated or permitted a violation of a provision of section 99B.10, 99B.10A, or 99B.10C, or a departmental rule adopted pursuant to chapter 17A, or for any other cause for which the director of the department would be or would have been justified in refusing to issue a registration, or upon the conviction of a person of a violation of this chapter or a rule adopted under this chapter which occurred on the premises where the registered amusement device is or is to be located. However, the denial, suspension, or revocation of a registration for one amusement device does not require, but may result in, the denial, suspension, or

revocation of the registration for a different amusement device held by the same distributor or owner.

b. However, a person who commits an offense of failing to include a security mechanism on an amusement device as required pursuant to section 99B.10, subsection 1, paragraph "m", shall be subject to a civil penalty in the amount of two hundred fifty dollars. A person who commits, within two years, a second offense of failing to include a security mechanism on an amusement device shall be subject to the provisions of paragraph "a".

Sec. 3. Section 99B.10B, subsection 2, Code 2011, is amended to read as follows:

2. ~~a. The department shall revoke a registration issued pursuant to section 99B.10 or 99B.10A, for a period of ten years if a person commits an offense of awarding a cash prize in violation of section 99B.10, subsection 1, paragraph "b", pursuant to rules adopted by the department.~~ A person who commits an offense of awarding a cash prize of fifty dollars or less in violation of section 99B.10, subsection 1, paragraph "b", pursuant to rules adopted by the department, shall be subject to a civil penalty in the amount of two hundred fifty dollars.

b. A person who commits, within two years, a second offense of awarding a cash prize of fifty dollars or less in violation of section 99B.10, subsection 1, paragraph "b", or a person who commits an offense of awarding a cash prize of more than fifty dollars in violation of section 99B.10, subsection 1, paragraph "b", pursuant to rules adopted by the department, shall be subject to revocation of the person's registration and the following:

(1) If the person whose registration is revoked under this subsection who paragraph "b", is a person for which a class "A", class "B", class "C", special class "C", or class "D" liquor control license has been issued pursuant to chapter 123, shall have the person's liquor control license shall be suspended for a period of fourteen days in the same manner as provided in section 123.50, subsection 3, paragraph "a". A

(2) If the person whose registration is revoked under this subsection who paragraph "b", is a person for which only a class "B" or class "C" beer permit has been issued pursuant to chapter 123, shall have the person's class "B" or class "C" beer permit shall be suspended for a period of fourteen days in the same manner as provided in section 123.50, subsection

3, paragraph "a".

~~b-~~ (3) If a person owning or employed by an establishment having a class "A", class "B", class "C", special class "C", or class "D" liquor control license issued pursuant to chapter 123 commits an offense ~~of awarding a cash prize in violation of section 99B.10, subsection 1, paragraph "b", pursuant to rules adopted by the department~~ as provided in this paragraph "b", the liquor control license of the establishment shall be suspended for a period of fourteen days in the same manner as provided in section 123.50, subsection 3, paragraph "a".

(4) If a person owning or employed by an establishment having a class "B" or class "C" beer permit issued pursuant to chapter 123 ~~awards a cash prize in violation of section 99B.10, subsection 1, paragraph "b", pursuant to rules adopted by the department~~ commits an offense as provided in this paragraph "b", the beer permit of the establishment shall be suspended for a period of fourteen days in the same manner as provided in section 123.50, subsection 3, paragraph "a".



KRAIG PAULSEN

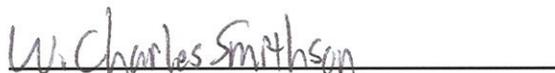
Speaker of the House



JOHN P. KIBBIE

President of the Senate

I hereby certify that this bill originated in the House and is known as House File 2427, Eighty-fourth General Assembly.



W. CHARLES SMITHSON

Chief Clerk of the House

Approved April 12, 2012



TERRY E. BRANSTAD

Governor